

Life classification of individuals are referred to as



Life In A Capitalist Country versus Life in a Communist Country Today, across the globe different countries use different governmental and economic systems such as capitalism, communism, fascism and socialism.

Communism is an economic system where power lies within a totalitarian, and where people's possessions are ascribed to the populace or to the commonwealth. People that reside in a communist country have less to worry about considering goods are distributed according to need rather than greed. Capitalism is an economic system where free market reigns, and where people are able to start and maintain a business for their personal gain. In a capitalist country, everyone has the capability to be as wealthy as they can manage provided they do the work necessary that enables a lifestyle befitting to their own ideas of happiness. Capitalism is the social construction in which the United States of America lives today. Capitalism is divided into three distinct categories: class division, the profit motive, and free market. Capitalism is located in many parts of the world without us even knowing it exists.

According to the capitalist system, " production and distribution of goods (land, factories, technology, transport system, etc) are possessed by a smaller number of individuals" (World Socialist Movement). This classification of individuals are referred to as the capitalist class. The majority of people have to trade to work in return for a wage or salary. This would be the individuals we call the working class. The working class is only paid according to what products they make and what are sold.

The capitalists take the money and the profit to create a better product. The capitalist class uses the working class to make goods to sell. The capitalists profit from the working class because they are in charge of what is being made. This is the reason why we say that there are two types of classes in our society. These facts explain what kind of society we live in today. In capitalism, you sell products for profit, not to make people feel satisfied.

The capitalists have to locate a buyer first before they can do any manufacturing. Production is only started if the product has been confirmed and the capitalist has approved in the manufacturing of the product. The product also has to make profit for it to continuously strive. The goods that are produced are intended to benefit the consumer, but if they do not have enough money to purchase the goods then the product goes to waste and no profit is made. Profit motive is not a greed factor among the capitalists.

They have no choice but to make the profit on the product. The need to make a profit is based on how well the product sells. With all this come competition with other capitalists, which then causes them to rethink or re-invest in other profits or products, keeping their product up to date and on the market. We are responsible for profit motive and the class division of capitalism, due to the problems caused around the world such as starvation and crime.

The life in a capitalist country is just to make profit. In capitalist society, profit is always the most wanted thing. It is greatly supposed that capitalism means a free market economy. However, it is possible to have capitalism without a free market. These class-divided societies are widely called “

socialist". By looking at the facts that are existed, it shows that all these countries are capitalists. Life in a capitalist country is very different among other countries.

Americans are known to be risk takers and makers of capital. In the US, it can be easy to start a business and then succeed with that business, as long as that business makes a profit. Imagine a small dry cleaner who starts with just a small space in a strip mall, but soon the owner takes a risk and invests, and they later own over twenty dry cleaning businesses. This is a tangible representation of wealth and capitalism in the US. Capitalism in the US has no boundaries and welcomes anyone willing to work hard in order to make a living.

" Americans are said to be moved by their failure and then striving for greatness or success" (Prabhat). Capitalism allows you to own a product and not allow others to steal or use the idea to exact details. This allows exclusive rights and patents to the production of modern technology and boosts the social economy. Groups within industries shape the model for success in agriculture, commerce, service industries, technology and other industries.

There are allowances for monopolies in financing, international trade, commodities, banking, insurance and commerce. Some of these monopolies are family owned and run which are leaders in their industries and who have good will in the community which breeds loyalty for their products and services among competitive markets and the masses. Some positives of capitalism are that economic freedom helps political freedom. If

governments pretty much own a company what rights does that company have? The purpose of the company is that the idea came from someone, and that person is the only person entitled to use that idea. Firms in a capitalist based society face incentives to be efficient and produce goods which are in demand. These restrictions cause the waste of a product and also the risk of reducing the price. Capitalism plays the role where entrepreneurs and firms are seeking to create and develop profitable products. Therefore, entrepreneurs will not be static, but they will rather invest in a product that is more popular to the consumer.

This change leads to the better development of a product and overall customer satisfaction. With firms and individuals facing incentives to be innovative and work hard, this creates more possibilities of innovation and economic expansion. This helps the most by increasing the real GDP by having very high improved living standards. This increase in wealth allows a higher quality of standard living, where, in theory, everyone can gain from this increased wealth, and there is a 'trickle down effect' from rich to poor. Communism on the other hand is essentially the idea that there should be no private ownership, economic classes, and nobody is either rich or poor.

"The beliefs of communism, most famously expressed by Karl Marx, center on the idea that inequality and suffering result from capitalism" (Dhar 1). Communism follows beliefs that are against the idea of someone having complete ownership over a business where employees are often exploited for their work. It is believed that the working class must rise up and create a society where there is no private property, economic classes, or profits. "In a pure communist economy, the community makes decisions" (Amadeo 1).

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This follows a Communist idea that the community as a whole should control the economy instead of individual business owners. “ Communists state that capitalist economic and political systems must be completely overthrown through revolution” (Dhar 1) and Cuba is an example of a government being overthrown and turned communist. After governments are overthrown the country is supposed to appoint special leaders to lead towards a true form of communism, this often isn't completed and the temporary governments often seize and maintain power in that country. Communism also follows the idea that each member of society shall contribute and receive based on needs and abilities (Kowalczyk 1). If this model is successfully followed, then the economy should thrive and everyone should be employed and have their needs be taken care of. These central ideas of communism are usually loosely followed and results in communism not working out or may also result in mixed economies.

Although after WWII, a third of the world was at one point was communist, now, only very few countries such as China, North Korea, and Cuba have a system that resembles the true communist model. Modernly, one of the few countries seen as still following the ideas of communism is North Korea. North Korea has a system where the government owns and controls almost everything.

The government controls everything economically and politically. Today, North Korea is completely isolated from the rest of the world and does not allow any information from foreign countries. It also does not permit traveling in or out of the country unless specified and cleared by the North Korean government. Citizens are fed propaganda that is made to make North

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Korea seem like it is the best country in the world and the United States as a terrible country and an enemy of the Korean people (Scholte 1).

Lastly the government uses a vast amount of immoral tactics to maintain power including “ an elaborate classification system known as songbun, controlling access to resources, and fear through an elaborate system of “ reeducation centers,” i. e. political prison camps” (Scholte 1).

The government has labor camps where individuals and their families are sent if they are seen as a threat to the government of North Korea. People in North Korea avoid speaking out and follow every rule set by the leader Kim Jong-un. The Index of Economic Freedom states that almost all property belongs to the state, “ the government sets production levels for most products, and state-owned industries account for nearly all GDP” (1). It also states that there is no entrepreneurial activity, and all wages are determined by the state which is the main source of employment. The North Korean government essentially controls every aspect of life in their country and put themselves in charge of everything economically. North Korea has a very loose and corrupt practice of what can be considered modern day communism.

Although North Korea recently has cut ties with the idea of Communism they are still seen as one of the closest countries that follow the idea of communism. As a whole, communism has its benefits and its issues, some aspects of communism are both beneficial and disadvantageous. For example, under a communist system everyone is paid equally, which diminishes the wage gaps that exist in a capitalist society. This can be good

for the average individual but can create issues for companies where employees have no incentives to work hard and work to their potential. One huge upside of communism is that it provides its citizens with many basic needs such as money or products that can be used by the consumer.

In an ideal communist country, nobody has to worry if they will have enough to eat, if they can afford health care, or if they will be able to receive an education. Another advantage of communism is that unemployment rates are not that much of an issue and everyone is offered an equal employment opportunity. Lastly, a huge upside of communism is that it has the ability to lower crime rates since everyone is treated equally and nobody is forced to commit crimes in order to provide for their family as an example. Communist governments are also allowed to implement strict laws and have an overall firm grasp on the country's laws and policies, which in turn, can discourage crime. Although there are certainly some benefits with communism, there are also inevitably some issues with communism. A huge issue is the role that most Communist governments partake, they tend to be very corrupt and control every aspect of life, they also tend to not allow citizens to have a voice.

Also in communism, a lot of personal freedoms are not available such as owning personal property, freedom of speech, and acquiring savings. Communism has effects that limit innovation and industrial growth since everything is controlled by the government and this inevitably has a negative effect on the county's economy. Lastly, communism tends to be corrupt in that the parties or individuals that are in control often tend to live a way more luxurious life even though the main idea of communism is



having equality for everyone. Capitalism and communism differ in many ways; when it comes to production, capitalism offers incentives for hard working employees. Hard work is often rewarded with bonuses, promotions, and raises based off the employee's individual accomplishments, work ethics, and performances. With communism employees are paid based off their needs. There's no incentive for employees to work harder or faster, workers share in equal profits amongst the rest of the workers regardless of the amount of work or effort each individual worker uses to complete their tasks, they are just expected to work at their full potential. With an company, a person in a capitalist country can own and operate a business with unlimited amount of liability, but the person that takes on that amount of responsibility reaps all the benefits and profits it brings " the individual has full control over production and decides on the price structure"(Prabhat 16-17).

America being a country that utilizes capitalism, the price structure in a free market comes from the owners of a business or corporation, they get to determine the prices of each product that is manufactured by their company. In a company that belongs to a communist country the society controls the entire " means of production"(Prabhat 5). For example, North Korea being a communist country determines the price of a manufactured goods and services is determined by the society as a whole, seeing as communism does not allow people to own businesses or corporations (Prabhat 17-18). In a capitalist country, citizens can own property, possessions, and anything else they want by buying it outright or making a finance plan, it's all based off the income of the individual that's making the purchase to be able to afford what

they're purchasing and still be able to live in a comfortable enough condition by their standards. In a communist country ownership belongs to the community the people live in, or to the society itself " communism stands for abolishing private property" (Prabhat 37).

When examining the two societies against each other, there are areas in each that are appealing and deterring, this makes it difficult to compare side by side to see which system is a better fit for the country. All over the world today, different governmental and economic systems are put into effect to efficiently run a country; different economic systems work in completely different ways, to execute the way a country is overall ran by its government. Capitalist countries allow people to make important business decisions without fear from government stepping in. Communism relies on a totalitarian to run the society, their rule is law. Capitalism, although it offers a high incentive to go above and beyond in daily life and activities it also has its repercussions such as, workers being laid off or terminated due to making mistakes.

Communism is very different from capitalism, employees have absolutely no incentive to work as hard as they're able to. With all workers being paid an equal amount based off what they need there's no real reward to working harder than others. Economic systems are used to run a country, but even with economic systems in place government officials still run into problems. Regardless of which method a government uses to run its country, there will always be citizens unhappy with their economical standings while others are contented.

There will always be advantages and challenges with each and every economic system, however a society is ran its better than the anarchy that would take place if a country were without a system.